## UNITED STATES DISTRICT COURT DISTRICT OF NEVADA

State of Nevada,

Plaintiff

v.

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Mr. Clayton-M. Bernard-Ex,

Defendant

Case No.: 2:24-cv-2114-JAD-DJA

**Order Denying Motion to Stay** 

[ECF Nos. 9, 10]

Clayton-M. Bernard-Ex, who claims he's a "tax-exempt," "free sovereign American Citizen and 'nonresident alien,'" commenced this proceeding as a purported "removal" of a Las 11 Vegas Justice Court Case against him<sup>1</sup> and seeks an award of \$38.5 million in damages for his 12 | alleged "false arrest" and various other torts and constitutional violations. Although Bernard-13 Ex captioned this case with himself as the defendant, it was he who initiated it. He now moves 14 to stay this case, arguing that his filing for Chapter 7 bankruptcy protection on December 4, 15 2024, triggered an automatic stay under 11 U.S.C. § 362(a).<sup>3</sup>

But the automatic stay does not work that way. The Ninth Circuit has made clear that the stay provided by § 362 "does not prevent a plaintiff/debtor from continuing to prosecute its own 18 claims nor does it prevent a defendant from protecting its interests against claims brought by the debtor."<sup>4</sup> "This is true, even if the defendant's successful defense will result in the loss of an

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<sup>&</sup>lt;sup>1</sup> See ECF No. 1-4 at 5 (referencing Justice Court Case No. 17 F17046X).

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<sup>&</sup>lt;sup>3</sup> ECF Nos. 9, 10. It appears that the motion was filed twice.

<sup>&</sup>lt;sup>4</sup> *In re Palmdale Hills Property, LLC*, 654 F.3d 868, 875 (9th Cir. 2011).

allegedly valuable claim asserted by the debtor." So, because Bernard-Ex initiated this action, 2 and there are no claims in this case against him, IT IS ORDERED that the motion to stay this case based on 11 U.S.C. § 362(a) [ECF 3 **Nos. 9, 10] is DENIED.** U.S. District Judge Jennifer A. Dorsey January 7, 2025 10 11 12 13 14 15 16 17 18 19 20 21 22 23 <sup>5</sup> *Id*. 2